

# Utility Rate Study

City Council Meeting

May 2, 2017

# Agenda

- Project History
- Recommended Adjustments
- Next Steps
- Council Discussion

# Boulder Utilities



Water



Wastewater



Stormwater/Flood

# Why Evaluate Rates Structures?

- 2014 Rates Outreach
- Reflect Community Goals

The image shows two overlapping historical water rate schedules from Boulder, Colorado, dated October 8th, 1909. The top document is the cover, and the bottom document is the detailed rate schedule.

**Water Rates**

In Force for the  
City of Boulder,  
Colorado

Revised October 8th, 1909

W. W. WELLS,  
Water Commissioner

Lawns or yards, irrigated or sprinkled, the same fee for the entire year or any part thereof, per front foot.....	.10
(Provided that no lawn license be issued to any person not using city water for domestic purposes.)	
Livery stable and corral, each single stall	1.50
Each double stall	3.00
Manufacturer of liquids, per barrel.....	.04
Cigars or candy	5.00
Soda or starch	15.00
Soda pop	10.00
Masonic Temple	100.00
O'Connor hotel	106.00
Offices, public or private	5.00
Each additional room	1.00
Printing office	10.00
Packing house	20.00
Photograph gallery	12.00
Private residence, one to four rooms	8.00
Five to eight rooms	10.00
Each additional room over eight.....	1.00
(Provided that in case there are two or more families in such house or place of residence then each family shall pay according to the schedule herein given and according to the number of rooms used by each family).	
one room	3.00
additional room	1.00
ank, C. & S. on meter, 8c each	
llons, minimum, per month.....	100.00
Colorado, buildings	
side City limits).....	\$300.00
.....	300.00
erated	80.00
680.00	
ing steam power for ten	5.00
wer and under	
for generating steam for	10.00
ufacturing purposes and	
t more than ten hours	
r horse power, at full	
.....	
urs per day	.50
	.75

# Customer Outreach



## Does your utility bill make sense?

Do you have questions about how your water, wastewater and/or stormwater bills are calculated?  
Do you have ideas about how to do it differently? Please join us at the following open house events:

- **Business and Industrial customers**

Wednesday, April 29 | 4 to 5:30 p.m. | Boulder Chamber, 2440 Pearl St.

- **Apartment, Rental Property and Townhome customers**

Thursday, April 30 | noon to 1:30 p.m. | Municipal Services Center, 5050 Pearl St.

- **Single-family Home customers**

Thursday, April 30 | 6 to 8 p.m. | Municipal Building, 1777 Broadway

Each open house will focus on how rates are calculated for that specific customer category, but all customers are welcome to attend any or all events.



**Unable to attend?** Fill out a short survey and provide input at [bouldercolorado.gov/water/utility-rate-study](https://bouldercolorado.gov/water/utility-rate-study).

City of Boulder, Department of Public Works, Utilities Division | Water, Wastewater, Stormwater | [www.boulderwater.net](http://www.boulderwater.net)

- 3 Open Houses
- Online Survey
- Bill Inserts
- E-mails
- Website

## UTILITY RATE STUDY UPDATE

The City of Boulder is conducting a rate study, which may impact how you are charged for Water, Wastewater, and Stormwater/Flood fees in 2018. The Water Resources Advisory Board is tentatively scheduled to hold a public hearing and a vote on recommendations to City Council on these issues on March 20, 2017.

For more information, visit [www.bouldercolorado.gov/water/utility-rate-study](http://www.bouldercolorado.gov/water/utility-rate-study).

Printed on 100% recycled paper



# Feb. 2017 Bill Insert



# Guiding Principles

Principle	Water Utility	Wastewater Utility	Stormwater/Flood Management Utility
Discourage wasteful use, while promoting all justified types and amounts of use.	X		
Be effective in yielding total revenue requirements.	X	X	X
Provide revenue stability and predictability for the utilities.	X	X	X
Fairly allocate the total cost of service across customer classes to attain equity.	X	X	X
Be dynamic and proactive to address changing supply and demand conditions, as well as the city's sustainability and resilience goals.	X		
Encourage low-impact development to decrease stormwater impacts.			X

- Conservation
- Financially Stable
- Equitable
- Resilient
- Stormwater Runoff



# Water Adjustments

- Commercial, Industrial and Institutional (CII)
- Single-Family Residential Indoor Water Budget



# CII – AMU Water Budgets



**Current**

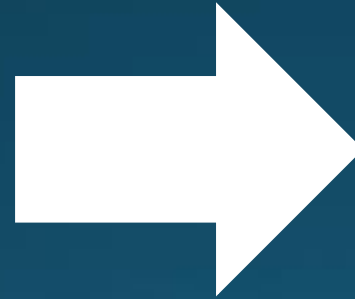
*Based on 2005 annual usage*

# CII – AMU Water Budgets



## Current

*Based on 2005 annual usage*

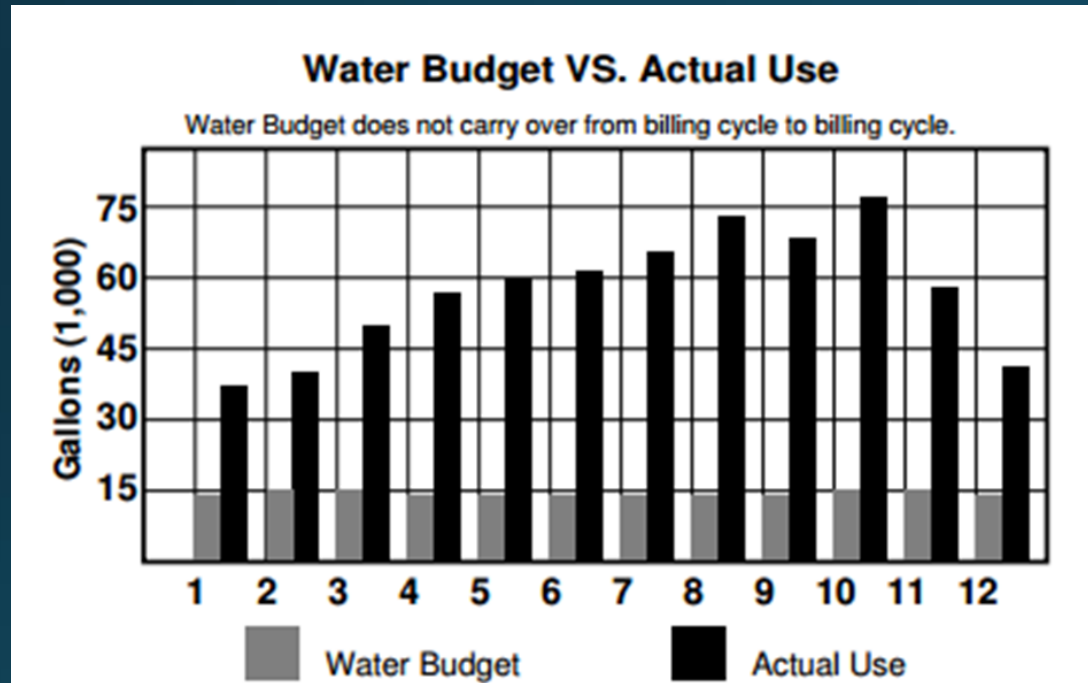


## Recommended

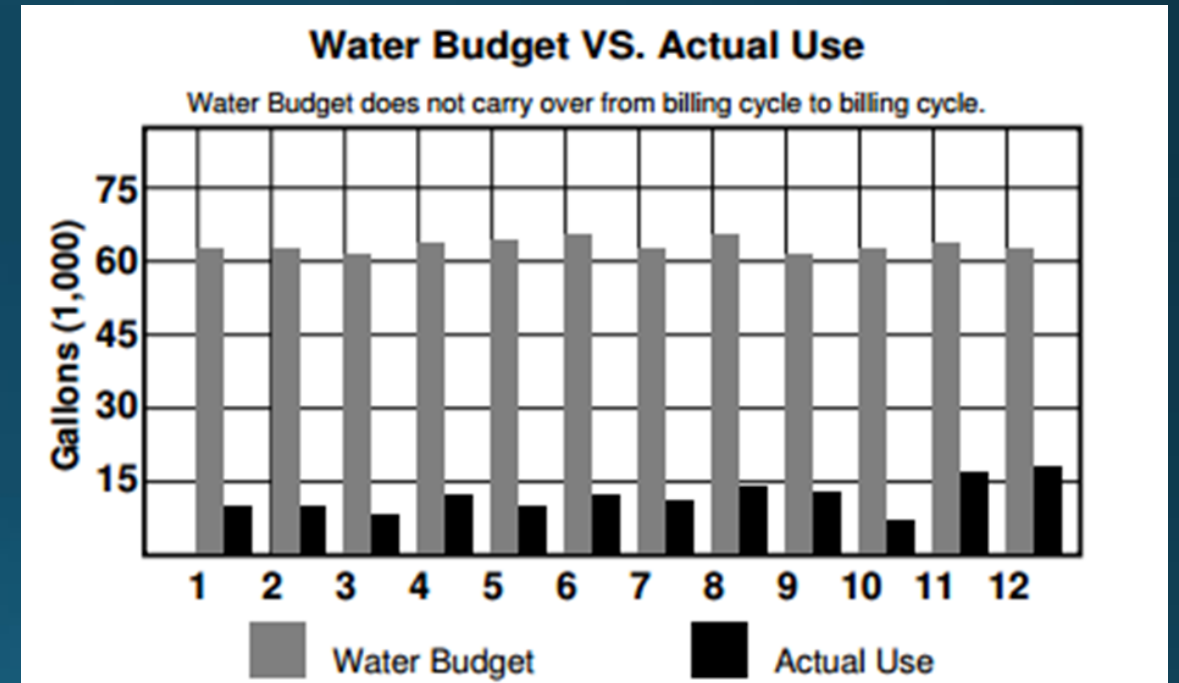
*Based on recent Average  
Winter Consumption +  
Irrigable area (if applicable)*



# CII Water Budgets

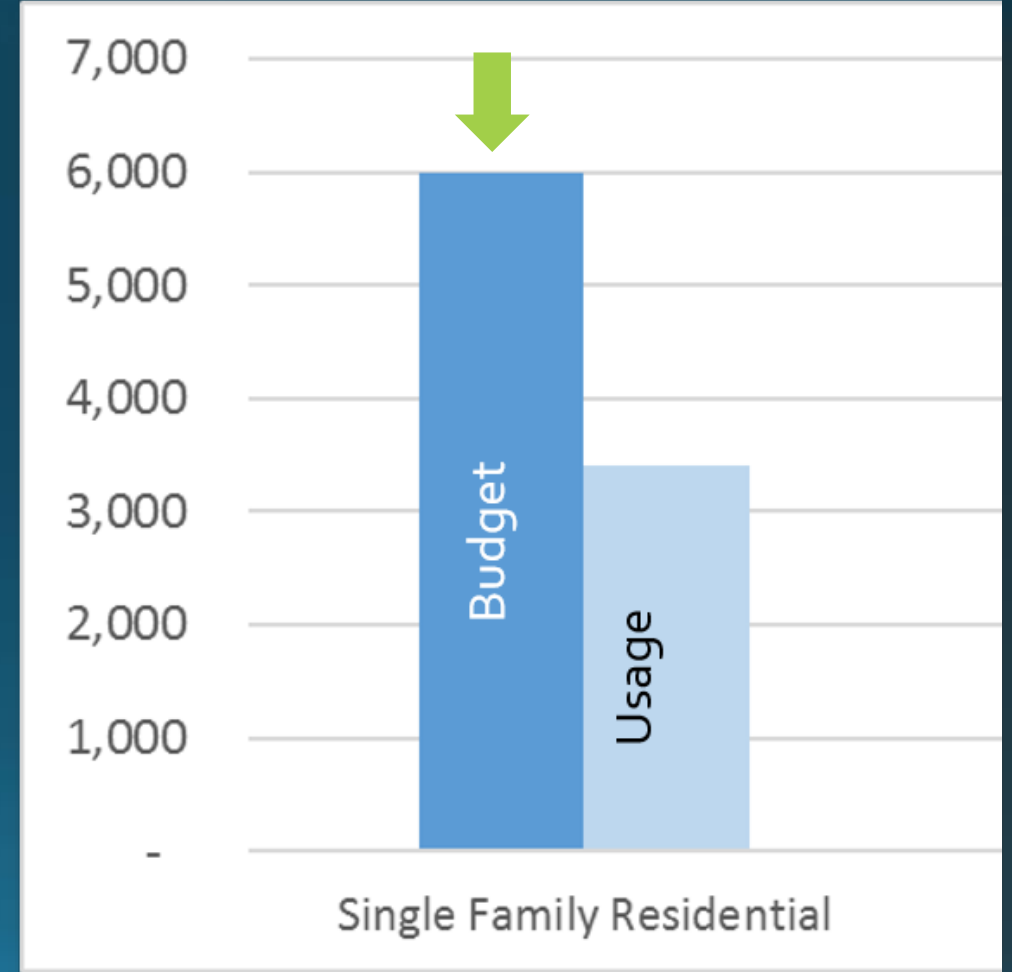
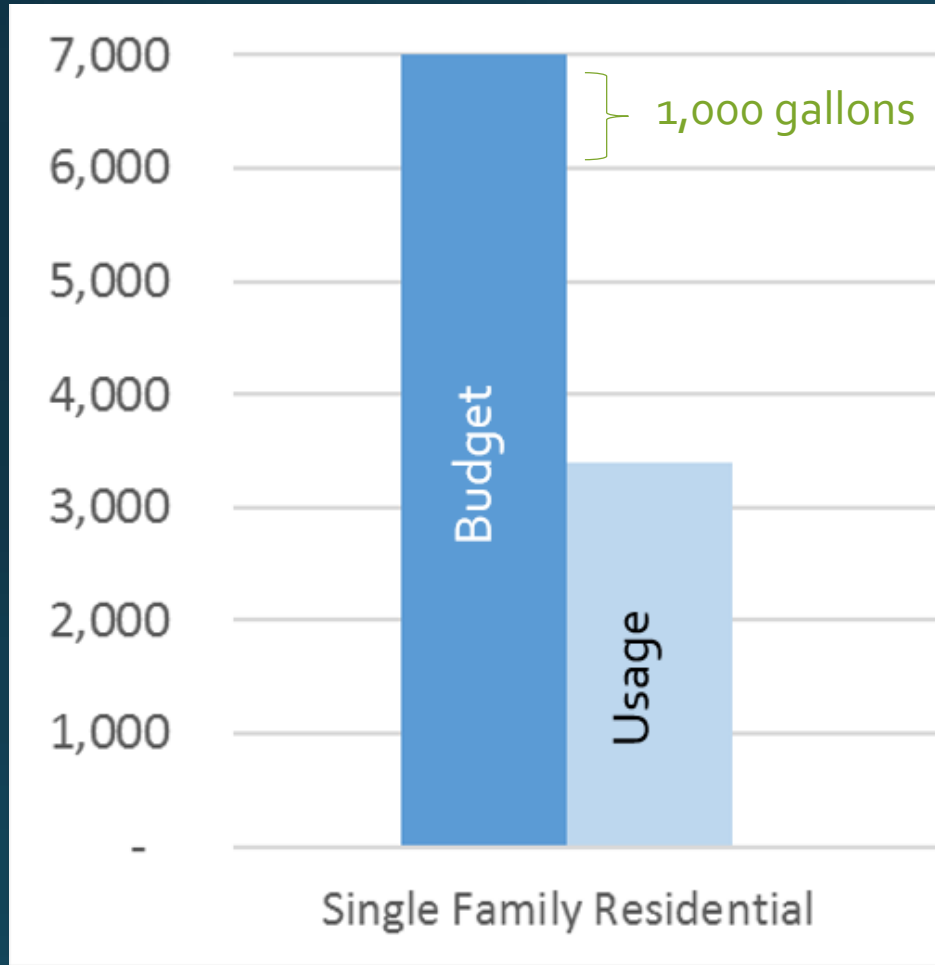


Upper block charges



Lower block charges

# Single-Family Residential Indoor Budget

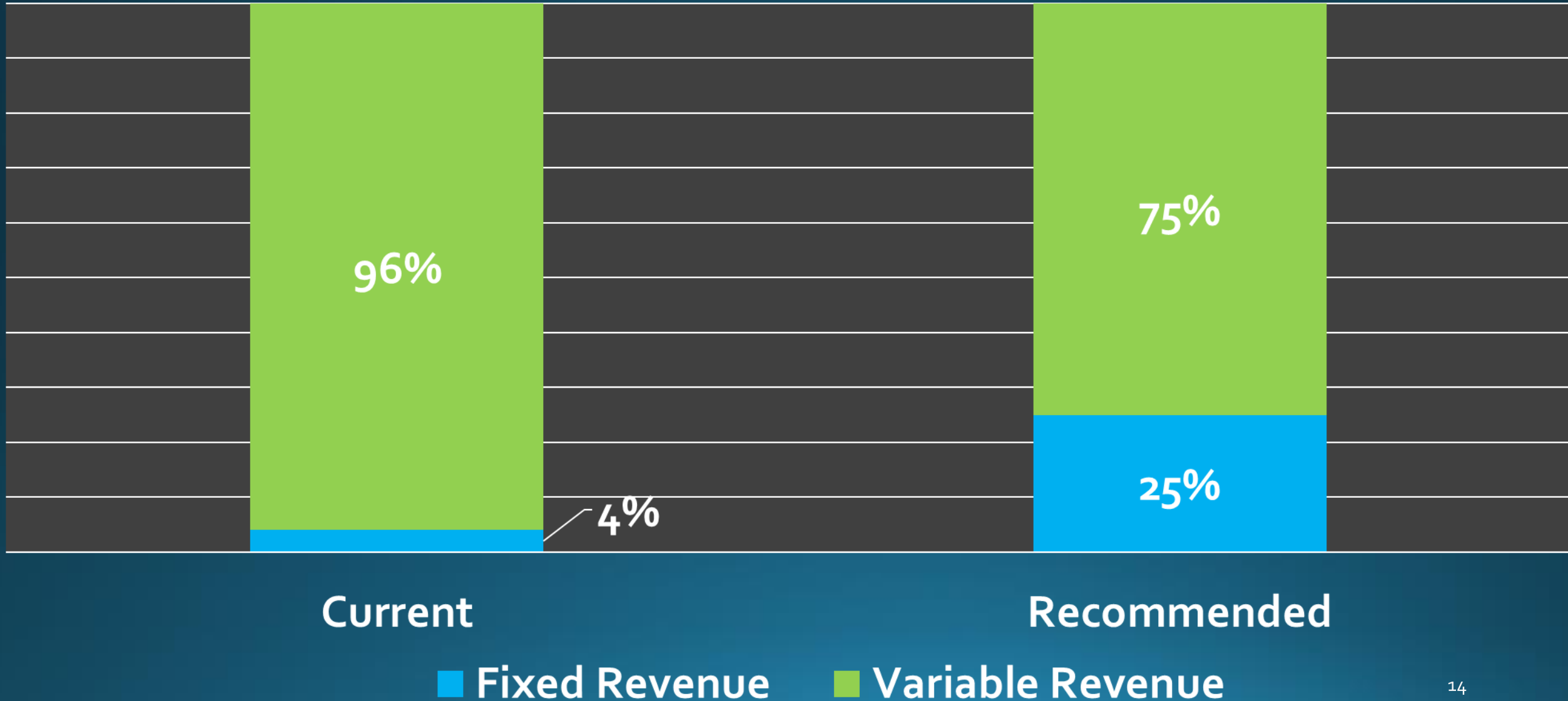




# Wastewater Adjustment

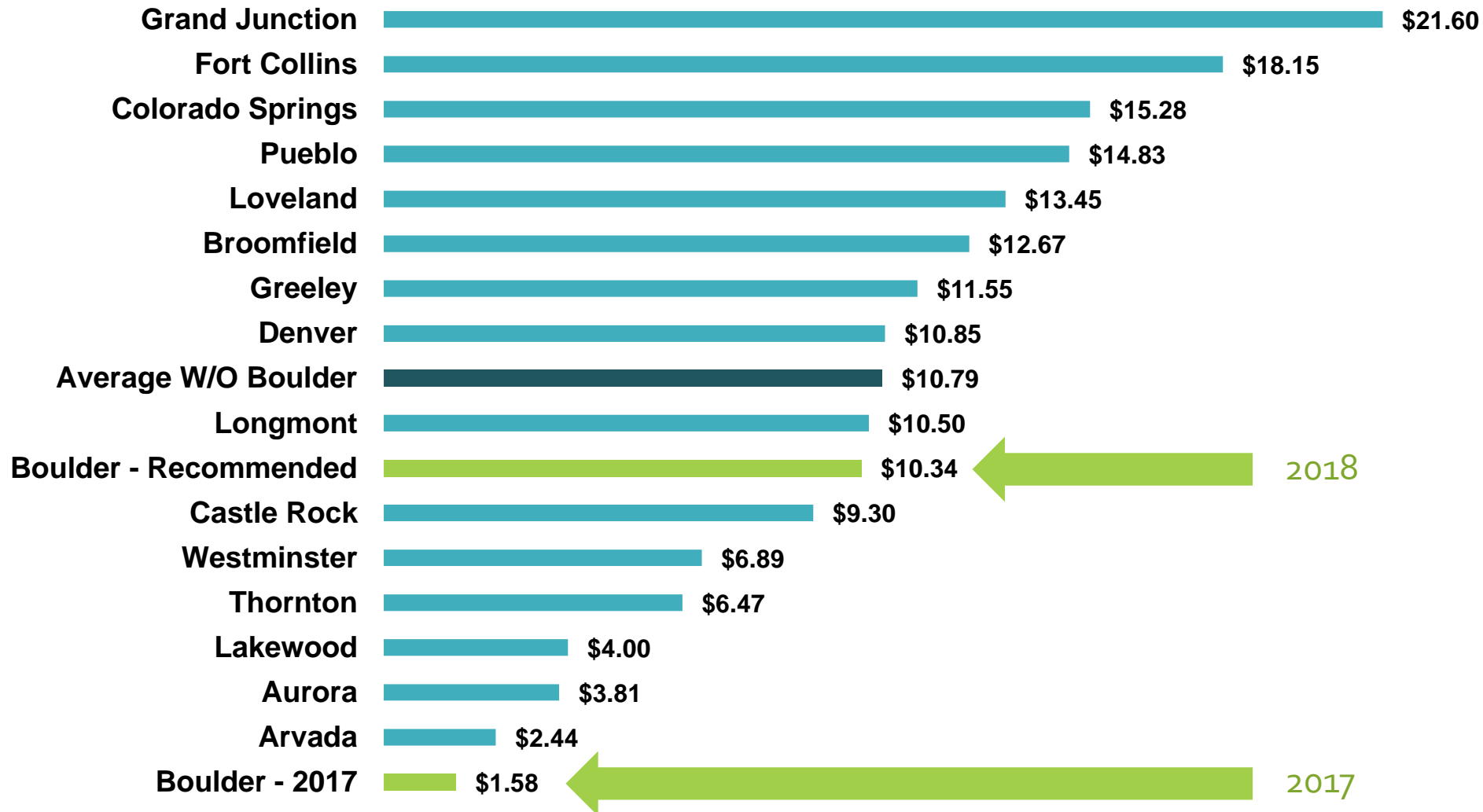
- Increased Fixed-Service Charge

# Wastewater Fixed Service Charge





# Fixed-Service Charge Comparison





# Stormwater/ Flood Adjustments

- Simplify Formula
- Bill Charge + Impervious Area Charge



# Stormwater Calculation

*(Non Single- Family Irrigation)*

Current Calculation:

$$\text{Fee} = \frac{\text{Total Site Area} \times \text{Runoff Coefficient} \times \text{Base Rate } (\$14.00)}{7,000 \times 0.43}$$

$$\text{Runoff Coefficient} = \frac{\text{Total Impervious Area} \times 0.9 + \text{Total Pervious Area} \times 0.2}{\text{Total Site Area}}$$

Recommended:

$$\text{Fee} = \text{Billing Charge} + \text{Impervious Area Charge}$$

# Impervious Area Charge



# Bill Impacts – Single Family Residential

## Average SFR Customer

January – 4,000 Gallons	2018 Status Quo	2018 Alt.
Water	\$25	\$25
Wastewater	\$29	\$32
Stormwater	\$16	\$16
Total	\$70	\$73

## Low SFR Customer

January – 2,000 Gallons	2018 Status Quo	2018 Alt.
Water	\$19	\$18
Wastewater	\$16	\$21
Stormwater	\$16	\$16
Total	\$51	\$55

# Next Steps

- Based on Council feedback, incorporate structure changes
- Council to adopt rates through 2018 budget process



# Council Feedback



Commercial/Industrial/Institutional Water Budgets



Single-Family Residential Indoor Water Budget



Wastewater Fixed-Service Charge



Stormwater Fee Calculation